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Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

New Caledonia

Working paper prepared by the Secretariat*

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I. General

1. New Caledonia[1] is located in the Pacific Ocean, about 1,500 kilometres east of Australia and 1,700 kilometres north of New Zealand. It comprises one large island, known as Grande Terre, and smaller islands known as the Loyalty Islands (Ouvéa, Maré, Lifou and Tiga), the Bélap Archipelago, the Isle of Pines and Huon Islands. There are also several uninhabited islands to the north of the Loyalty Islands. The area of Grande Terre is 16,750 square kilometres, and that of the Territory is 19,103 square kilometres. Nouméa, the capital, is located in the south of Grande Terre. The Territory is divided into three provinces, South and North (on Grande Terre) and the Loyalty Islands.

2. According to the 1996 census, the population was 196,836, comprising indigenous Melanesians known as Kanaks (42.5 per cent); persons of European origin, mainly French (37.1 per cent); Wallisians (8.4 per cent); Polynesians (3.8 per cent); and others, mainly Indonesians and Vietnamese (8.2 per cent). The census also showed almost half the population to be under 25 years old. In January 2002, the Statistics Office estimated the population to be 215,904 and projected that by 2025, the figure would rise to 332,000.[2] The majority of the population (68 per cent) lives in the South Province, mainly around the greater Nouméa area, while 21 per cent live in the North Province and only 10.6 per cent in the Loyalty Islands. In 1996, the native Kanak population made up 77.9 per cent of the population of the North Province and 97.1 per cent of the population of the Islands, whereas it only made up 25.5 per cent of the population of the South Province. With respect to the Territory's second largest population, persons of European origin, 89 per cent of them live in the South Province. About 60 per cent of the population is Catholic and 30 per cent Protestant; 10 per cent profess other religions. The official language is French and about 28 Melanesian-Polynesian dialects are spoken.

3. The Nouméa Accord (A/AC.109/2114, annex), signed in May 1998 between the Government of France, the pro-independence Front de libération nationale kanak socialiste (FLNKS) and the integrationist Rassemblement pour la Calédonie dans la République (RPCR), has fundamentally altered the political and administrative arrangements in New Caledonia. Under the terms of this Accord, the New Caledonian parties opted for a negotiated solution and progressive autonomy from France rather than an immediate referendum on political status. The transfer of powers from France began in 2000 and is to end in 15 to 20 years, when the Territory will opt for either full independence or a form of associated statehood. The political and legislative process which is under way and the new institutional arrangements in place in New Caledonia are described in chapter II. The characteristics of New Caledonia's economy and employment as well as current efforts to implement a policy of redressing economic and social imbalances between the more prosperous South Province and the less developed North Province and Loyalty Islands are described in chapter III.

II. Political situation

A. Background

4. The Nouméa Accord provided for a number of steps towards a negotiated consensual solution for the future of the Territory. As stated in the preamble to the agreement, "this solution will define the political organization of New Caledonia and the arrangements for its emancipation over the next 20 years". Among the steps to be taken were constitutional amendments, the creation of new institutions, the full recognition of Kanak identity and rights, the establishment of parameters for the electorate and the gradual transfer of powers from the French State to New Caledonian authorities.

5. On 6 July 1998, the French Parliament passed a constitutional reform by 827 votes to 31 that inserted two articles, 76 and 77, into the French Constitution. Article 76 provided that the people of New Caledonia would be called upon before 31 December 1998 to express their views on the provisions of the Nouméa Accord. Article 77 provided that, following approval of the Accord, a Constitution would be submitted to a vote in Parliament in order to enable New Caledonia to move forward on the basis of the Accord.

6. Prior to the referendum, the two major parties of New Caledonia, FLNKS and RPCR, had both campaigned for approval of the Accord among their respective constituents. The Accord was ratified by New Caledonians in a referendum held on 8 November

1998. With 74 per cent of the electorate voting, 72 per cent voted in favour of the Accord.

7. Following the referendum, the Secretary of State for Overseas Territories of the Government of France issued a communiqué pointing out that the Nouméa Accord provided for the renewal of relations between France and New Caledonia and would be translated into a draft organic law. This organic law and an ordinary law were presented in the French Parliament. The organic law codified the matters addressed in article 77 of the constitutional reform, namely, the powers that would be transferred to the newly created institutions in New Caledonia, the organization of those institutions, rules concerning New Caledonian citizenship and the electoral regime and conditions and deadlines by which New Caledonians would determine their accession to full sovereignty. The ordinary law dealt with other, mainly economic and social, matters covered in the Nouméa Accord. The French legislature ratified both laws on 19 March 1999.

8. The issue of eligibility to vote in future elections in New Caledonia also required legislative action during 1999 (see A/AC.109/2000/4, para. 22, for coverage of the matter). Still pending is the scheduling of a special session of the French Congress (a joint sitting of both the National Assembly and the Senate) to ratify a constitutional amendment related to voter eligibility (see para. 44 below). In January 2002, Prime Minister Jospin stated in a meeting with the signatories of the Nouméa Accord that he expected this special session to take place as soon as possible. Following Mr. Jospin's defeat in the French presidential elections in April 2002, the FLNKS spokesperson stated to the media that the pro-independence movement feared that this crucial provision of the Accord might not go ahead.[3]

B. The new governmental structure

9. New Caledonia continues to vote in French presidential elections and to elect one member of the French Senate and two members of the French National Assembly. However, the new governmental structure created in the Territory as a result of the entry into force of the above-mentioned organic law is set out below.

10. The Congress is the deliberative assembly of New Caledonia. It comprises 54 members, consisting of 7 from the Provincial Assembly of the Loyalty Islands, 15 from the Provincial Assembly of the North Province and 32 from the Provincial Assembly of the South Province. Members are elected for five years.

11. The Government is the executive power of New Caledonia. It is elected by the Congress and is responsible to it. It is composed of between 5 and 11 members, the exact number to be fixed by Congress prior to the election of the Government. The Government prepares and executes the decisions of Congress. The Government names public and administrative officers, oversees the execution of public works, manages local resources, gives its opinion regarding projects that involve the mines in the Territory and prepares the codification of the Territory's laws.

12. The provincial assemblies are responsible for all matters relating to the province that are not directly attributed to the President of the Provincial Assembly. The President of the Provincial Assembly acts as the executive of the province and, as such, is responsible for the administration of the province and the management of public employment at the provincial level. Members of the Assembly are elected for five years.

13. The Economic and Social Council advises the Government on projects and possible laws that have an economic or social character. It comprises 28 representatives of professional, labour and cultural organizations, 2 members designated by the Customary Senate and 9 personalities that are representative of the economic, social and cultural life of New Caledonia designated by the Government on the advice of the provincial assemblies.

14. The Customary Councils are a parallel set of institutions in eight areas and are designed to accommodate the full political recognition of the Kanak identity. In addition, there is a Territory-wide Customary Senate, comprising 16 members, 2 selected by each Customary Council. The Customary Senate is represented in the Economic and Social Council, the Administrative Council, the Consultative Council on Mines and local development agencies. The Customary Senate and the Councils are to be consulted by the executive and legislative organs of New Caledonia on matters that have to do directly with the Kanak identity.

C. Recent developments

15. Following the ratification of the Nouméa Accord by the people of New Caledonia and the codification of its provisions into French law as described in paragraphs 5 to 7 above, New Caledonia is no longer considered an overseas territory under article 74 of the Constitution. Instead, the Government of France describes it as a community sui generis which has institutions designed for it alone and to which certain powers of State will gradually be transferred and will be non-revocable. Accordingly, the establishment of new institutions proceeded throughout 1999 according to an agreed timetable. The year 2000 was the first complete year during which the new institutions of New Caledonia were expected to exercise their prerogatives. According to the French Government, the institutions remained steady throughout 2001, in spite of uncertainties in the political sphere, and there was progress in redressing the economic imbalance and intensifying regional ties.

16. In May 1999, elections were held for the provincial assemblies and Congress. In the voting for the provincial assemblies, for a total of 74 seats, RPCR obtained a majority in the South Province, while FLNKS obtained a majority in the other two provinces. Of those voted into the provincial assemblies, 54 then became members of New Caledonia's Congress. Thus, RPCR obtained a relative majority of 24 seats in Congress, followed by FLNKS, which obtained 18 seats. In July 2000, the elections were repeated in the Loyalty Islands after the French State Council ruled that there had been irregularities in the handling of proxy votes. The results confirmed the majority held by the FLNKS coalition in the Loyalty Islands provincial assembly and, consequently, the Congressional balance remained unchanged. RPCR Senator Simon Loueckhote was subsequently re-elected Chairman of Congress, defeating the FLNKS nominee.

17. Congress elected the first Government of New Caledonia on 28 May 1999. Presided over by Jean Lèques (RPCR), Mayor of Nouméa, the Government had 11 members, 6 from RPCR, 4 from FLNKS and 1 from the Fédération des comités de coopération indépendantistes (FCCI), a dissident offshoot of FLNKS allied with RPCR. The first municipal elections after the signing of the Nouméa Accord were held in New Caledonia from 11 to 18 March 2001. They resulted in 58 per cent of the vote in favour of the integrationist RPCR, while 37 per cent of the vote supported the pro-independence FLNKS. President Lècques was re-elected Mayor of Nouméa, after which he announced that he wanted to give priority to his responsibilities as Mayor and that he would step down from the Presidency of the Territory. His resignation automatically required the resignation of his Government and new elections to be held by the 54 members of Congress. On 5 April 2001, Pierre Frogier, member of RPCR and of the French National Assembly, was elected New Caledonia's second President. Déwé Gorodey of FLNKS was elected Vice-President. A Kanak university professor, Gorodey is the first woman to hold this position; she also remains in charge of culture, youth and sports. The new Cabinet still reflects an integrationist majority of 7 out of 11 seats; RPCR holds six portfolios and its ally FCCI holds one. On the pro-independence side, FLNKS received three portfolios and one of its components, Union Calédonienne, received one. Subsequently, FLNKS lost a seat (see para. 25 below).

18. The Customary Senate, considered the guarantor of Kanak identity, was formally constituted on 27 August 1999. It has a rotating presidency in order to accommodate each of the seven customary areas. Most recently, in September 2001, High Chief Wanabo of the Laai area was succeeded by Georges Mandaoué of the Ajie Aro traditional area.[4] Currently, the Customary Senate is focusing on land tenure and making French law and customary law compatible.

19. New Caledonia's Economic and Social Council was formally established on 2 February 2000. Headed by Mr. Bernard Paul (RPCR), the Council is composed of 39 members, of whom 28 represent professional organizations, labour unions and associations which reflect the economic, social and cultural life of New Caledonia. The Council continues to be consulted by Congress on all economic and social matters.

20. Regarding French State institutions, in the French Senate elections held in September 2001, incumbent Simon Louekhote of RPCR was elected New Caledonia's Senator for a further nine years. Out of the 484 elected voters (2 National Assembly members, 76 Provincial Assembly members and 406 Municipal Council members), 250 voted for Louekhote, while 174 voted for Marie-Claude Tjibaou (FLNKS).[5] Regarding the French presidential elections, in the first round held on 21 April 2002, Jacques Chirac (RPR) obtained 48.38 per cent of the New Caledonian vote, followed

by 22.42 per cent for Socialist Lionel Jospin and 10.84 per cent for the National Front's Jean-Marie Le Pen.[6] In the second round, held on 6 May 2001, Chirac obtained 80.72 per cent of the vote to Le Pen's 19.58 per cent. Le Pen's increased vote came from European sectors in the Southern Province. The FLNKS call for abstention was largely followed by its supporters in the North Province and the Islands.[7]

21. As foreseen by the Nouméa Accord, in 1999 the new institutions began to enact "laws of the country" (lois du pays), which have the full force of the law and can only be contested before the Constitutional Council. Since 1999, 12 of these laws have been adopted, including seven during 2001 which were mainly related to labour conditions. Still being discussed is a "law of the country" on judicial practice within the traditional palavers.

22. Also set out by the Nouméa Accord are the powers to be exercised in association between the French State and New Caledonia, namely: external relations; entry and stay of foreign nationals; law and order; gambling; audio-visual communication; research, higher education; and secondary education. A number of other services and jurisdictions are to be gradually transferred from the State to the Government of New Caledonia (see A/AC.109/2001/14, para. 21 for a detailed list of jurisdictions to be transferred). So far, the services dealing with labour inspection and foreign trade have been transferred to the territorial Government while those dealing with primary education and the regulation of mining and energy are on the point of being transferred. It is also foreseen that several State bodies may be transferred to the New Caledonian authorities following requests from Congress. According to the Government of France, measures are currently under way for the transfer of the Institut de Formation des Personnels Administratifs (IFPA) and the Office des Postes et Télécommunications (OPT).

23. In spite of the considerable institutional and administrative advances described above, progress continues to be hindered by the friction between RPCR and FLNKS, owing to their differing interpretations of "collegiality" in government matters. The debate grew out of the absence of any precise definition of collegiality in organic law No. 99-209 of 19 March 1999, article 128 of which states simply that the Government is responsible collegially and jointly for matters within its competence. At that time, the election of Léopold Jorédié, a member of FCCI, as Vice-President, rather than Roch Wamytan, President of FLNKS and a signatory to the Nouméa Accord, was judged contrary to the spirit of the Accord by part of the pro-independence camp. Following this, the FLNKS members of the Government chose to appeal to the administrative courts and lodged several appeals against congressional resolutions and government decrees.

24. According to press reports, the new Government, elected in April 2001, under President Pierre Frogier and Vice-President Déwé Gorodey, was initially seen as moving towards a more desirable collegial spirit. The day after the elections in Congress, the President was quoted as saying, "We have decided to together set New Caledonia on a new course and to work in a new spirit". For her part, the Vice-President stated that the members of FLNKS had "repeatedly demanded the Vice-Presidency in order to ensure that the letter and the spirit of the Nouméa Accord are respected". FLNKS leader Roch Wamytan also expressed satisfaction: "the discussions have enabled us to regain our rightful place within the Government, with the Rassemblement occupying the Presidency and FLNKS the Vice-Presidency".[8]

25. However, the opposing positions over the concept of collegiality (see ibid., paras. 23-25) remained acute throughout 2001, with RPCR maintaining that, as a majority, it is obliged only to inform the minority and seek consensus when possible, and FLNKS insisting on participating in the decision-making process in accordance with the spirit of the Accord. Disagreements were evident in September 2001 when the French State Council ruled that there had been irregularities in the April 2001 congressional elections and invalidated the appointment of FLNKS Government member Tino Manuohahalo. This decision further strengthened the RPCR/FCCI coalition, while depriving FLNKS of one of its seats.

26. The political scene was further affected in 2001 by internal divisions within RPCR and FLNKS. Within the pro-integration party, the divisions surfaced in June 2001 when some party members denounced the "monolithic leadership" of its founder and president, Jacques Lafleur. Nonetheless, the leadership isolated the dissidents and Lafleur was re-elected.[9] The divisions within the pro-independence camp have been deeper, especially following the above-mentioned French State Council decision which further weakened

its position within Government. In October 2001, FLNKS expressed its disagreement over the decision and announced that its two remaining Cabinet members, Déwé Gorodey and Roch Wamytan, would not take part in government affairs until FLNKS held its party Congress and reviewed the situation. Shortly after, Mr. Wamytan announced he was resigning from the Government, as the FLNKS "real representation" was no longer reflected in the Executive. However, in early November, the two main components of FLNKS, Union Calédonienne (UC) and Palika, held their respective party conferences and Mr. Wamytan was replaced as president of his own party, UC, by his former deputy, Pascal Naouna. According to press reports, Mr. Naouna's supporters wanted to give UC new internal energy while still supporting Mr. Wamytan as the FLNKS voice in the international arena.[10] The FLNKS Congress convened in November but was unable to resolve disagreements between UC and Palika over whether Mr. Wamytan or Northern Province President, Paul Neaoutyine, should be elected FLNKS president. After further meetings, in December 2001 it was decided that for the coming year, the pro-independence leadership would be placed in the hands of an eight-member, multipartite political bureau with two representatives for each of the four main components of FLNKS (UC, Palika, Rassemblement Démocratique Océanien (RDO), and Union des Partis Mélanesiens (UPM). It was reported that Mr. Wamytan would remain as the FLNKS representative within regional and international bodies. Following the Conference, the FLNKS spokesperson was quoted as follows:

> "Our partners (RPCR and France) must still be able to have FLNKS as a dialogue partner. FLNKS must continue to live and carry on the political struggle. Simply, we are now aware of the limitations of our internal organization. And the Chair problem is only a part of a vast problem".[11]

27. In November 2001, Christian Paul, Secretary of State for Overseas Territories, visited New Caledonia and obtained agreement from both RPCR and FLNKS to hold a second meeting of signatories of the Nouméa Accord in January 2002. The two delegations, led by Territorial President Pierre Frogier of RPCR and by Pascal Naouna of FLNKS, respectively, met in Paris during the week of 22 January. According to the French Government, the discussions focused mainly on the following issues: the FLNKS demand for a special session of the French Congress to pass the Constitutional revision (see paras. 8 above and 44 below) to limit the electorate eligible to vote in New Caledonian elections (it was noted that RPCR opposed such a revision); and the FLNKS view that the exercise of Government was insufficiently collegial and that the signatories of the Nouméa Accord should meet more frequently. The parties also followed up on issues agreed on in the first meeting of the Committee of Signatories, namely: primary and secondary education, professional and technical training and the evolution of the "cadres avenir" (managers for the future) project; external relations (see para. 33 below); Kanak identity and culture; the control over the Territory's utility companies; and environmental protection.

28. Speaking at the start of the meeting of signatories, the Secretary of State referred to the situation in New Caledonia as follows:

> "Here and there, someone will get satisfaction out of taking a pessimistic view of the situation in New Caledonia, emphasizing the areas where progress has lagged and highlighting the obstacles and deadlocks. I would like clearly and unequivocally to contradict what may have been said. One only has to go to New Caledonia, as I did at the end of November, to realize that the divergences, disagreements and differing points of view have not prevented agreement on the essentials: recognition of the ground gained and an obvious determination to continue what has been begun. No one contests the Nouméa Accord; no one wants to undo what has been done since; no one underestimates the importance of this exemplary dialogue".

29. This same view was expressed by Prime Minister Jospin at the closing of the meeting:

> "I also noted that some criticisms were raised about the functioning of institutions, particularly relations between the majority and the minority, but that the progress made in their functioning was recognized. These few problems, which we will have to resolve, should be viewed against the backdrop of the overall success of the Nouméa Accord, a success now acknowledged throughout the Pacific".

30. During the period under review, a new issue has emerged in New Caledonia, namely, violent clashes

between Kanaks and settlers from the French territory of Wallis and Futuna.[12] Recent events took place in the district of Saint-Louis, on the outskirts of Nouméa, where some 1,300 Kanaks and 1,000 Wallisians live. According to press reports, there had been tension for several years following increasing arrivals of Wallisians, but this flared into violent confrontations in December 2001, after which the local Kanak community demanded that all Wallisians leave Kanak tribal land. During disturbances in January, a Kanak man received bullet wounds from which he later died. Further clashes occurred after his funeral mass in February, with police using armoured vehicles and tear gas, followed by sporadic violent outbursts in March and later in April, during which a senior French police officer was severely wounded by gunshots. Meanwhile, differences have emerged between the two Kanak high chiefs in the area, Roch Wamytam of FLNKS and Robert Moyatea of RPCR, both of whom claim to be the custodian of the land on which the Wallisians have settled. According to the media, Aloisio Sako, a Wallisian leader and president of the RDO party within the FLNKS coalition, has reiterated that Wallisians want to remain in New Caledonia to help the Kanaks build their country. Both sides have expressed the hope that the dispute can be resolved through traditional Pacific customary law.[13]

31. According to the French High Commissioner, the inter-ethnic tensions reveal the fragility of the Nouméa process and make it essential for the State and the public in New Caledonia, together with the communities concerned, to work towards redressing the social and economic imbalance in the Territory. A number of meetings have been held to explore ways to solve this situation and its broader implications. According to the media, the French Government is pressing New Caledonia to negotiate a formal agreement on the status of Wallisians in the Territory and is funding a development project in Wallis and Futuna to stem the outflow of the islanders.[14]

32. In a further political development, in a February 2001 press release, entitled "Destabilization in Kanaky/New Caledonia", Roch Wamytan accused the French State of wishing to perpetuate its domination over New Caledonia by using a strategy to neutralize the pro-independence party:

> "The serious events currently taking place in New Caledonia are an illustration of this vast destabilization enterprise. The ethnic conflicts between the Kanaks, the Wallisians and the Futunians in Saint-Louis, the excesses of the strike movements at the Société minière du Sud-Pacifique and the turbulence organized within the pro-independence movement are all part of that strategy of manipulation which is characteristic of colonial States".

Mr. Wamytan called for an inquiry to be conducted under the auspices of the United Nations.

33. With respect to New Caledonia's international relations, the participants at the second meeting of the Committee of Signatories agreed on the importance of developing trade and other relations with the larger actors in the Pacific region (Australia and New Zealand) as well as with other island States and to build on existing links within regional organizations. Another concern expressed was the need to establish better links within the European Union, given its political, commercial and financial importance. The signatories called for legislative steps to grant the President of New Caledonia powers to negotiate and sign international agreements, requested improved coordination between the French State (through its High Commissioner in Nouméa) and the New Caledonian Government, and agreed that New Caledonian professionals should continue to receive training in diplomacy. In keeping with the above, during the period under review, New Caledonia continued to develop its contacts with its Pacific neighbours. FLNKS and the Government of New Caledonia hosted the fourteenth summit of the Melanesian Spearhead Group in July 2001 and Roch Wamytan represented the Government at the meeting of the South Pacific Forum, held in Nauru in August 2001. The President of New Caledonia and Roch Wamytan visited Vanuatu in June 2001 and the Prime Minister of Vanuatu returned the visit in February 2002 to sign an agreement on health, education and youth exchanges. In March 2002, the Minister of Trade of Australia visited Nouméa to sign a memorandum of understanding on developing bilateral trading links.

III. Economic data and developments

A. General

34. The 1996 census data set the active population of New Caledonia at 80,589 people, with an unemployment rate of 18.6 per cent for the entire Territory. Unemployment figures are lower, however, in the South, where the majority of the employment opportunities arise, and higher in the North and the Islands. According to the Institut territorial de la statistique et des études économiques (ITSEE), the average income in the Territory at the end of 2001 stood at approximately US$ 1,930 per month, with employees being better paid in the South Province than in the North and Island Provinces.[15] Although New Caledonia ranks among the affluent Pacific nations and has considerable economic assets, it also suffers from structural imbalances. Therefore, in the context of the Matignon Accords of 1988 (see A/AC.109/1000, paras. 9-14) and the Nouméa Accord, much of the efforts of the Government of France and New Caledonian institutions in the past decade have been aimed at redressing the balance in terms of infrastructure, social services and employment possibilities among the three provinces. In October 2001, the French National Assembly approved a sum equivalent to $38 million for New Caledonia in its 2002 budget, an increase of 11 per cent compared to the 2001 budget. The New Caledonian President pointed out to the media that some of the funds were part of the 2001 budget, especially those related to the gradual transfer of powers from Paris to Nouméa.[16] In January 2002, following the second meeting of the signatories of the Nouméa Accord, the French Government announced that it would inject €350 million ($270 million) into New Caledonia's economic development over the coming decade, to be invested mainly in the nickel industry, tourism and education.[17] The French State also signed into law fiscal incentives to encourage investment in its overseas territories as well as specific tax facilities aimed at strengthening New Caledonia's metallurgy sector. In March 2002, the State signed contracts with nine local government units ("communes") in New Caledonia, eight of them in the North Province, to provide them with average annual funds of €3.8 million from 2002 to 2004. State investment in equipment for the "communes" increased by 36.4 per cent and focused on roadworks, public buildings, new schools, water supplies, sanitation and waste disposal.

B. Mineral resources

35. New Caledonia's economy is dominated by the nickel industry. The Territory has more than 20 per cent of the world's known nickel resources, is responsible for 6 per cent of the world's nickel output and employs some 3,500 people in firms of varying size. Although this is a highly dynamic sector, which makes up 90 to 95 per cent of New Caledonia's exports and which, in turn, generates numerous related economic activities, it is fragile in that it is almost entirely dependent on international demand and nickel prices. Thus, emphasis is currently being placed on the development of local metallurgical production (which creates more wealth) rather than on mineral exports. Although there was sustained international demand for New Caledonian mineral products during 2000 and the value of exports reached a record of $557 million during that year,[18] the sector went through a crisis in 2001. The drop in prices which began in the first trimester of 2001 was further accentuated by the events of 11 September. Thus, average nickel prices in 2001 were $2.70 per pound compared to $3.92 per pound in 2000. According to information provided by the French Government, in spite of this negative trend, mineral extraction figures in New Caledonia in 2001 remained steady and were similar to those of 2000, namely, 57 million humid tons of nickel. In addition, metallurgical production rose for the ninth consecutive year, up 2.6 per cent from 2000.

36. There are currently three major nickel-related projects under way in the Territory which, it is hoped, will lead to significant economic growth (see A/AC.109/2114, para. 8, A/AC.109/2000/4, paras. 30-32 and A/AC.109/2001/14, paras. 33-36, for background). The first project is that of the Société Le Nickel (SLN), (the New Caledonian affiliate of the French State-owned company ERAMET), which announced in July 2001 its decision to invest from €140 to 190 million in its Doniambo smelter to boost production from 60,000 to 75,000 tons per year. This renovation will imply the renovation of three of Doniambo's four smelters and the upgrading of another SLN mining centre. The second project under way is a joint venture between the Kanak-controlled Société minière du Sud-Pacifique (SMSP) and the Canadian

company, Falconbridge, for the construction of a smelter in the North Province to process nickel from the Doniambo deposits. A final decision on the project is due in 2003. It is estimated that this smelter will produce some 60,000 tons per year and create 800 direct jobs and 2,000 indirect jobs. It is also at the heart of a major project to bring wealth and employment to the underdeveloped North Province through the construction of an electric power plant, a deep-water port and a hydraulic dam. Finally, a third project is that of the International Nickel Company (INCO) of Canada, which plans to exploit mineral deposits in Goro, South Province. After monitoring the results of a pilot plant, built in October 1999 to simulate mining conditions on a small scale, INCO confirmed in April 2001 that it would invest some $1.4 billion in a nickel and cobalt mining project. The plant is scheduled to be completed by the end of 2004. Production capacity is expected to reach 54,000 tons of nickel per year and 5,400 tons of cobalt per year, and an estimated 1,000 direct jobs and 1,700 indirect jobs are to be created in the process. Still to be concluded is an agreement for New Caledonia to hold a 5 per cent stake in the Goro plant.

37. According to information provided by the French Government, completion of the Goro project alone would suffice to balance New Caledonia's trade deficit. Nonetheless, some concern has been expressed that foreign labour may have to be brought to the Territory during the construction phase. Meanwhile, there have been labour disputes in the mining sector, most recently in March and April 2002, when workers organized blockages and the occupation of SMSP offices. In addition, growing concerns have been expressed regarding the impact that the two new plants will have on New Caledonia's pristine maritime environment, with the debate becoming more heated after the French Government officially filed a request with the United Nations Educational, Scientific and Cultural Organization for New Caledonia's coral reef to be included in the World Heritage list. According to the media, this step has been denounced by RPCR and welcomed by FLNKS and environmental groups.[19]

C. Other economic sectors

38. Other sectors that contribute to New Caledonia's gross domestic product (GDP) are public administration, commerce, services, construction and public works, small and medium-scale industry, agriculture and tourism. While agriculture and fisheries account only for 2 per cent of GDP, they increasingly occupy a central place in New Caledonian society, employ some 30 per cent of the population and make it possible to contain the rural exodus. Rural development projects are aimed at increasing the local market, thereby decreasing the need for imported goods and further enhancing the possibilities of exporting produce such as prawns and tuna. There has been a steady increase in seafood exports in recent years. The value of seafood exports in 2001 rose by 13.6 per cent compared with 2000. In February 2002, New Caledonia was included in a major fisheries development programme for the French-speaking Pacific funded by the European Union. In March 2002, New Caledonia and Papua New Guinea signed a fishing agreement to develop marine resources in their respective exclusive economic zones.[20]

39. Tourism is regarded as another important sector, but the improvement of airline services remains an important priority for the Territory if it is to be developed further. During 2000, a record 109,587 visitors came to New Caledonia (mainly from Japan, metropolitan France, Australia and New Zealand), but this figure fell by 8.3 per cent in 2001, owing to the financial recession in Japan and the uncertainty of air services. Setbacks to tourism during the period under review included the cancellation of two cruise lines managed by the Florida-based Renaissance Cruises in the aftermath of the events of 11 September; the withdrawal of tours by three major French operators (Nouvelles Frontières, Kuoni and Havas); and the closure of the 600-room Club Méditérranée Château Royal, which was deemed to be unprofitable.[21] In the light of the departure of Corsair, Continental-Micronesia lines and AOM-Air Liberté, and Air France's plan to close down its New Caledonia operations in 2003, the Government of New Caledonia has focused on ensuring sustainable airline links to the Territory and obtaining support from the French Ministry of Transport to this effect. In October 2000, the Government announced it would be acquiring two Airbus A-330 aeroplanes for its flag carrier, Air Calédonie International (AirCalin), so that, as of 2003, Air France would operate the flights from France to Japan, while the two new aeroplanes would be devoted to the Osaka-Nouméa and Tokyo-Nouméa routes. In July 2001, AirCalin received confirmation from the French authorities that 75 per cent of the total cost of

the aeroplanes (estimated to be €228 million) would receive a tax exemption from the State. In the meantime, it is reported that AirCalin is facing dire financial difficulties owing to higher fuel costs, an unfavourable dollar exchange and a sudden increase in insurance premiums. AirCalin losses during the 2000-2001 financial year were posted at over $2 million and a further $1.5 million losses were anticipated for the end of the current financial year. In March 2002, it was reported that the new aircraft were under construction in Toulouse, France.[22]

D. Labour

40. In an effort to create a new framework for labour relations, on 20 October 2000, 11 out of 15 unions and employer groups signed a "social pact". The 20-page agreement was the result of lengthy negotiations led by two members of the Government (members of RPCR and FLNKS) and two presidents of congressional commissions (members of FCCI and FLNKS). The agreement aimed to end the frequent degeneration of labour disputes into strikes and lockouts. It also addressed the issue of minimum wages and improved working conditions. Among the dissenting unions which did not sign the pact was the Union Syndicale des Travailleurs Kana et Exploités (USTKE), reportedly owing to the inclusion of provisions related to mandatory mediation. Immediately after the signing, the Government, in contravention of its commitment to wage moderation agreed to in the pact, decided upon a substantial raise in the minimum salary. The Government's abandoning of the pact was denounced by most of the labour union signatories. Labour disputes during the period under review were mainly within the mining sector and organized by the Syndicat des ouvriers et employés de Nouvelle-Calédonie (SOENC-Mines). In addition, USTKE mobilized a strike within the building company Jean Lefebvre Pacifique to protest the firing of 12 workers. The local strike, which paralysed the building industry for four months, also spread into "roving" general strikes which affected State radio and television, the port, the airport, retail outlets and mines. An agreement signed in July 2001 reinstated most of the dismissed workers and called for an increase in overtime payments.[23] Another labour-related issue in the news in 2001 was the lengthy debate on unified health insurance for all professionals. In spite of the opposition of the self-employed sector and some civil servants, the law instituting the "coverture sociale unifiée" was adopted by Congress on 19 October 2001.

IV. Consideration of the question by the United Nations

A. Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

41. Representatives of the Government of New Caledonia and representatives of FLNKS participated in the Caribbean Regional Seminar organized by the Special Committee to review the political, economic and social conditions in the small island Non-Self-Governing Territories, held in Havana from 23 to 25 May 2001.[24]

42. The Special Committee considered the question of New Caledonia at its 10th meeting, on 3 July 2001. At the same meeting, a statement was made by Roch Wamytan, president of FLNKS (see A/AC.109/2001/SR.10).

43. Mr. Wamytan said that the 1998 Nouméa Accord, signed between the French State, FLNKS and RPCR, was based on the true will of the Kanak people (who had been made a minority in their own land as a result of a policy of organized immigration), to turn the page of colonialism in order to share and build a common future with other communities living in the Territory. He wished to focus on the difficulties and delays in the implementation of the Accord, especially after the elections of 9 May 1999. Those difficulties were mainly related to the principle of collegiality, which was meant to inform the New Caledonian Executive and to enable the Kanak people to participate in decision-making and in the management of their own country. Their partner in the signature of the Accord, RPCR, had allied itself with a dissident pro-independence group and had used the pretext of majority rule gradually to displace FLNKS from the management of New Caledonia's affairs. The French Government, hiding behind its role as neutral arbiter, had also steered away from the Accord's objectives of collegiality, consensus and shared responsibility.

44. He pointed out that in the previous two months, positive steps had been taken by RPCR. In a speech introducing government policies in May 2001, the new President, Pierre Frogier, had stressed a will to return to "a new political balance with FLNKS". Improved governmental collegiality was evident, for example, in the Vice-Presidency being granted to FLNKS, as foreseen in the Nouméa Accord. He added that difficulties in implementation had led to significant delays in the restriction of the electorate, the protection of local employment and signs of local identity. Regarding the electorate, there were two different interpretations: FLNKS believed that the right to vote should be restricted to those living in New Caledonia in 1988, their descendants and those who had arrived between November 1988 and October 1998, who could prove 10 years of residence. RPCR wanted the right to vote extended to all those who could prove ten years of residence. The matter had already been settled in favour of the FLNKS interpretation by the French National Assembly and by the Senate. All that remained was ratification by the National Congress (a joint session of the National Assembly and the Senate). Unfortunately, the session scheduled for March 2000 had been postponed indefinitely owing to internal political reasons. The issue of the protection of local employment was also clearly reflected in the Nouméa Accord, but the laws of the country, which should have been implemented, had not been properly discussed by the signatories of the Accord. Another essential pending matter was the construction of common signs of identity for a future State.

45. Mr. Wamytan said that those difficulties had eroded the confidence of the population in the future. A recent survey showed that public confidence in the implementation of the Accord had declined throughout 2000. In two years' time the people of New Caledonia would be marking 150 years of French presence. The FLNKS aim remained independence, the cause for which many of its militants and leaders had died. There was no room for other options, be they integration, association with the administering Power, or even the "third way" recently proposed in the context of Western Sahara. None of those institutional arrangements fitted in with the FLNKS political vision for the future. The Kanak people wanted autonomy currently, followed by the exercise of the right to self-determination in accordance with the Nouméa Accord and full independence in the future. Those were the steps leading to national sovereignty.

46. The Kanaks comprised some 100,000 of New Caledonia's total population of 220,000. It was a land of huge natural resources from which they should benefit. Currently, there was nickel and cobalt; in the future there would perhaps be oil and gas reserves discovered through the exploration of the continental plateau. Those resources were, no doubt, coveted by the major economic and financial powers. New Caledonia was also in the limelight owing to its exclusive economic zone and its privileged position in the Pacific region. The recent meeting of the world's nickel firms in Nouméa was an example of what New Caledonia could represent in world economic strategy. With the development of the Canadian Falconbridge nickel plant and the Kanak-controlled SMSP plant, the production of nickel processed in situ could make New Caledonia a "price-maker" in the world nickel market. For FLNKS, the exploitation of those natural riches must form the basis for their political emancipation.

47. He called upon the French State to accompany the process of decolonization and the emancipation of the Kanaks and the non-Kanaks associated with the process. France was the colonizer and continued to be the administering Power. It was with the French State that FLNKS, the legitimate representative of the Kanak people, had started the discussion of the colonial issue in 1988 which had led to the Nouméa Accord. The French State was the main actor in the process and could not limit itself to the role of arbiter between two parties. In the eyes of FLNKS, RPCR was a party to the Accord, but it was not New Caledonia's colonizer. While recognizing the highly positive role played by the French State in New Caledonia since the signing of the Matignon Accord, FLNKS must appeal for its constant vigilance. Too much passivity by French representatives in the former colonies could lead FLNKS to doubt the real will of the State to stand by the emancipation process.

48. Mr. Wamytan appealed to the French State to remain vigilant of the process. FLNKS would draw lessons from past colonial and neo-colonial practices, would be alert to the just implementation of the Accord and was ready to point out any deviation from its principles. If the deviations came from the French State, FLNKS would say so, with all due respect for the dignity of the State. If the deviations came from RPCR, FLNKS would also say so, without endangering the political contract signed in 1988 and 1998. On the contrary, FLNKS wished to avoid obstacles and to

participate in the success of an accord which was the guarantor of peace and harmony in New Caledonia. The United Nations, in its historic mission, should also accompany the process, especially during the decade 2001-2010.

49. At the same meeting of the Special Committee, statements were also made by the representatives of Papua New Guinea and the Congo. Subsequently, the representative of Papua New Guinea introduced draft resolution A/AC.109/2001/L.14, which, he said, contained some technical changes, took into consideration recent developments and had been the subject of consultations with the delegations of France and New Caledonia. The Special Committee adopted the draft resolution without a vote (A/AC.109/2001/28).

B. Special Political and Decolonization Committee (Fourth Committee)

50. At the 4th meeting of the Special Political and Decolonization Committee (Fourth Committee) on 9 October 2001, the representative of Fiji, referring to New Caledonia, said that having long been an advocate of decolonization and independence, particularly for peoples in the Pacific region, Fiji reiterated its continuing interest in the progress thus far achieved for the Kanak people in New Caledonia under the Matignon and Nouméa Accords. Fiji especially welcomed the fact that a climate of peace and amicable cooperation had reigned during that political process. Already the Kanak leadership had been able to participate meaningfully in its own right in various regional initiatives, including, for the first time, as host of the South Pacific Festival of Arts, Chairman of the Melanesian Spearhead Group and host of the spearhead Group summit. Other activities gave credibility to the Caledonian institutions, their workings and the implementation of the Nouméa Accord (see A/C.4/2001/SR.4).

51. At its 7th meeting, on 16 October 2001, the Fourth Committee adopted the draft resolution on the question of New Caledonia without a vote (A/C.4/2001/SR.7).

C. General Assembly

52. At its 82nd meeting, on 10 December 2001, the General Assembly adopted resolution 56/70 on the question of New Caledonia without a vote (A/56/PV.82).

Notes

[1] The information contained in the present report has been derived from information transmitted to the Secretariat by the Government of France on 2 May 2002 and from published sources.

[2] Oceania Flash, 12 April 2002.

[3] Radio Australia, 24 April 2002.

[4] Oceania Flash, 10 September 2001.

[5] Oceania Flash, 24 September 2001, and *Le Monde*, 25 September 2001.

[6] Agence France Press, 22 April 2002, and *Le Monde*, 23 April 2002.

[7] Les Nouvelles Calédoniennes, 6 May 2002.

[8] Les Nouvelles Calédoniennes, 6 April 2001.

[9] Oceania Flash/SPC, 26 June 2001.

[10] *Le Monde*, 19 October and 6 November 2001; Agence France Press, 17 October and 4 November 2001; Oceania Flash, 22 October and 7 November 2001.

[11] Oceania Flash/SPC, 24 December 2001.

[12] There are about 20,000 Wallisians in New Caledonia, more than those remaining in the Territory of Wallis and Futuna.

[13] Oceania Flash, 10 December 2001, 11 and 13 February 2002, 23 April 2002; Radio Djiido/PINA Nius, 17 February 2002; Agence France Press, 2 April 2002; Radio Australia, 4, 5 and 15 April 2002.

[14] Economist Intelligence Unit, 21 March 2002.

[15] Oceania Flash/SPC, 19 December 2001.

[16] Oceania Flash, 31 October 2001.

[17] Agence France Press, 22 January 2002, Economist Intelligence Unit, 21 March 2002.

[18] Economist Intelligence Unit, 29 August 2001.

[19] *Le Monde*, 28 February 2002.

[20] Communiqué from the Secretariat of the Pacific Community, 25 February 2002, and National/PINA Nius Online, 4 March 2002.

[21] Oceania Flash/SPC, 3 October 2001, and Agence France Press, 14 November 2001.

[22] Agence France Press, 22 July 2001; Oceania Flash/SPC, 16 October 2001; Oceania Flash, 4 March 2002.

[23] Oceania Flash, 31 July 2001.

[24] See *Official Records of the General Assembly, Fifty-sixth Session, Supplement No. 23* (A/56/23), chap. II, annex.